House of Representatives



General Assembly

File No. 642

February Session, 2018

Substitute House Bill No. 5586

House of Representatives, April 23, 2018

The Committee on Finance, Revenue and Bonding reported through REP. ROJAS of the 9th Dist., Chairperson of the Committee on the part of the House, that the substitute bill ought to pass.

AN ACT WAIVING CERTAIN INITIAL OCCUPATIONAL LICENSING FEES FOR CERTAIN INDIVIDUALS AND REQUIRING A STUDY OF OCCUPATIONAL LICENSING FEES CHARGED BY SURROUNDING STATES.

Be it enacted by the Senate and House of Representatives in General Assembly convened:

- 1 Section 1. Section 20-236 of the 2018 supplement to the general
- 2 statutes is repealed and the following is substituted in lieu thereof
- 3 (Effective July 1, 2018):
- 4 (a) (1) Any person desiring to obtain a license as a barber shall apply
- 5 in writing on forms furnished by the Department of Public Health and
- 6 shall pay to the department a fee of one hundred dollars. The
- department shall not issue a license until the applicant has made written application to the department, setting forth by affidavit that
- 9 the applicant has (A) (i) successfully completed the eighth grade, (ii)
- 10 completed a course of not less than one thousand hours of study in a
- school approved in accordance with the provisions of this chapter, or,

if trained outside of Connecticut, in a barber school or college whose requirements are equivalent to those of a Connecticut barber school or college, and (iii) passed a written examination satisfactory to the department, or (B) if the applicant is an apprentice, (i) successfully completed the eighth grade, (ii) completed an apprenticeship approved by the Labor Department and conducted in accordance with sections 31-22m to 31-22u, inclusive, and (iii) passed a written examination satisfactory to the Department of Public Health. Examinations required for licensure under this chapter shall be prescribed by the department with the advice and assistance of the board. The department shall establish a passing score for examinations required under this chapter with the advice and assistance of the board. No license issued in accordance with the provisions of this chapter may be assigned or transferred to another person.

- (2) Any person who holds a license at the time of application to practice the occupation of barbering in any other state, the District of Columbia or in a commonwealth or territory of the United States, and was issued such license on the basis of successful completion of a program of education and training in barbering and an examination, shall be eligible for licensing in this state and entitled to a license without examination upon payment of a fee of one hundred dollars.
- (3) The department shall waive the fee required under subdivision (1) or (2) of this subsection, as applicable, for an initial license as a barber issued on or after July 1, 2018, in this state for any applicant who is a low-income individual, military family member or young worker, provided such applicant provides to the department any documentation or information the department may require for such waiver. As used in this subdivision, (A) "low-income individual" means an individual enrolled in a state or public assistance program or whose household gross income is less than one hundred thirty per cent of federal poverty guidelines, (B) "military family member" means (i) a veteran, as defined in subsection (a) of section 27-103, (ii) a member of the armed forces, as defined in said subsection, (iii) a spouse of such veteran or member, or (iv) the surviving spouse of a deceased veteran

or member, who has not remarried, and (C) "young worker" means an individual who is eighteen years of age or older but under twenty-five years of age.

- [(3)] (4) Any person who holds a license to practice the occupation of barbering in any other state, the District of Columbia, or in a commonwealth or territory of the United States, and has held such license for a period of not less than forty years, shall be eligible for licensure without examination. No license shall be issued under this section to any applicant against whom professional disciplinary action is pending or who is the subject of an unresolved complaint.
- (b) (1) Barber schools shall obtain approval pursuant to this section prior to commencing operation. In the event that an approved school undergoes a change of ownership or location, such approval shall become void and the school shall apply for a new approval pursuant to this section. Applications for such approval shall be on forms prescribed by the Commissioner of Public Health. In the event that a school fails to comply with the provisions of this subsection, no credit toward the one thousand hours of study required pursuant to subsection (a) of this section shall be granted to any student for instruction received prior to the effective date of school approval.
- (2) The Commissioner of Public Health, in consultation with the Connecticut Examining Board for Barbers, Hairdressers and Cosmeticians, shall adopt regulations, in accordance with the provisions of chapter 54, to prescribe minimum curriculum requirements for barber schools. The commissioner, in consultation with said board, may adopt a curriculum and procedures for the approval of barber schools, provided the commissioner prints notice of intent to adopt regulations concerning the adoption of a curriculum and procedures for the approval of barber schools in the Connecticut Law Journal not later than thirty days after the date of implementation of such curriculum and such procedures. The curriculum and procedures implemented pursuant to this section shall be valid until such time final regulations are adopted.

(c) No person applying for licensure as a barber under this chapter shall be required to submit to a state or national criminal history records check as a prerequisite to licensure.

- Sec. 2. Section 20-253 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2018*):
 - (a) License or examination fees shall be paid, except as provided in subsection (b) of this section, to the department at the time of application as follows: (1) For examination as a registered hairdresser and cosmetician, the sum of one hundred dollars; and (2) for renewal of any hairdresser and cosmetician license, the sum of one hundred dollars. Each person engaged in the occupation of registered hairdresser and cosmetician shall, at all times, conspicuously display such person's license within the place where such occupation is being conducted. All hairdresser and cosmetician licenses, except as otherwise provided in this chapter, shall be renewed once every two years and shall expire in accordance with the provisions of section 19a-88. No person shall carry on the occupation of hairdressing and cosmetology after the expiration of such person's license until such person has made application to the department for the renewal of such license. Such application shall be in writing, addressed to the department and signed by the person applying for such renewal. The department may renew any hairdresser and cosmetician license if application for such renewal is received by the department within ninety days after the expiration of such license.
 - (b) The department shall waive the fee required under subdivision (1) of subsection (a) of this section for examination as a registered hairdresser and cosmetician on or after July 1, 2018, for any individual who is a low-income individual, military family member or young worker, provided such individual provides to the department any documentation or information the department may require for such waiver. As used in this subsection, (1) "low-income individual" means an individual enrolled in a state or public assistance program or whose household gross income is less than one hundred thirty per cent of

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112 <u>federal poverty guidelines, (2) "military family member" means (A) a</u>

- veteran, as defined in subsection (a) of section 27-103, (B) a member of
- the armed forces, as defined in said subsection, (C) a spouse of such
- veteran or member, or (D) the surviving spouse of a deceased veteran
- or member, who has not remarried, and (3) "young worker" means an
- individual who is eighteen years of age or older but under twenty-five
- 118 <u>years of age.</u>
- Sec. 3. Section 20-254 of the general statutes is repealed and the
- following is substituted in lieu thereof (*Effective July 1, 2018*):
- 121 (a) Any person who holds a license at the time of application as a
- 122 registered hairdresser and cosmetician, or as a person entitled to
- 123 perform similar services under different designations in any other
- state, in the District of Columbia, or in a commonwealth or territory of
- the United States, and who was issued such license on the basis of
- 126 successful completion of a program of education and training in
- hairdressing and cosmetology and an examination shall be eligible for
- licensing in this state and entitled to a license without examination
- 129 upon payment, except as provided in subsection (c) of this section, of a
- 130 fee of one hundred dollars. No license shall be issued under this
- 131 section to any applicant against whom professional disciplinary action
- is pending or who is the subject of an unresolved complaint.
- (b) If the issuance of such license in any other state, in the District of
- 134 Columbia, or in a commonwealth or territory of the United States did
- 135 not require an examination, an applicant who has legally practiced
- 136 cosmetology for at least five years in a state outside of Connecticut
- shall be eligible for licensure under this section if the applicant submits
- 138 to the commissioner evidence of education and experience that is
- 139 satisfactory to the commissioner and upon payment, except as
- 140 <u>provided in subsection (c) of this section,</u> of a fee of one hundred
- dollars. Evidence of experience shall include, but not be limited to, (1)
- 142 an original certification from the out-of-state licensing agency
- demonstrating at least five years of licensure, (2) correspondence from
- 144 the applicant's former employers, coworkers or clients that describes

the applicant's experience in the state for at least five years, and (3) a copy of tax returns that indicate cosmetology as the applicant's occupation. No license shall be issued under this section to any applicant against whom professional disciplinary action is pending or who is the subject of an unresolved complaint in the context of providing services as a cosmetician.

- (c) The department shall waive the fee required under subsection (a) or (b) of this section, as applicable, for any applicant on or after July 1, 2018, who is a low-income individual, military family member or young worker, provided such applicant provides to the department any documentation or information the department may require for such waiver. As used in this subsection, (1) "low-income individual" means an individual enrolled in a state or public assistance program or whose household gross income is less than one hundred thirty per cent of federal poverty guidelines, (2) "military family member" means (A) a veteran, as defined in subsection (a) of section 27-103, (B) a member of the armed forces, as defined in said subsection, (C) a spouse of such veteran or member, or (D) the surviving spouse of a deceased veteran or member, who has not remarried, and (3) "young worker" means an individual who is eighteen years of age or older but under twenty-five years of age.
- Sec. 4. Section 20-377m of the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2018*):
- (a) A person seeking a certificate of registration as an interior designer shall apply to the commissioner in writing, on a form provided by the commissioner. Such application shall include the applicant's name, residence address, business address and such other information as the commissioner may by regulation require.
 - (b) Each application for a certificate of registration shall be accompanied by a fee of one hundred ninety dollars, provided any architect licensed in this state <u>or any applicant described in subsection</u> (c) of this section shall not be required to pay such fee.

(c) The department shall waive the fee required under subsection (b) of this section for any applicant on or after July 1, 2018, who is a low-income individual, military family member or young worker, provided such applicant provides to the department any documentation or information the department may require for such waiver. As used in this subsection, (1) "low-income individual" means an individual enrolled in a state or public assistance program or whose household gross income is less than one hundred thirty per cent of federal poverty guidelines, (2) "military family member" means (A) a veteran, as defined in subsection (a) of section 27-103, (B) a member of the armed forces, as defined in said subsection, (C) a spouse of such veteran or member, or (D) the surviving spouse of a deceased veteran or member, who has not remarried, and (3) "young worker" means an individual who is eighteen years of age or older but under twenty-five years of age.

- Sec. 5. Section 20-3770 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2018*):
- (a) Upon receipt of a completed application and fee, except as provided in subsection (c) of section 20-377m, as amended by this act, the commissioner shall: (1) Issue and deliver to the applicant a certificate of registration as an interior designer; or (2) refuse to issue such certificate. The commissioner may suspend, revoke or refuse to issue or renew any certificate issued under sections 20-377k to 20-377v, inclusive, for any of the reasons stated in section 20-377s.
 - (b) Upon refusal to issue a certificate, the commissioner shall notify the applicant of the denial and of the applicant's right to request a hearing within ten days from the date of receipt of the notice of denial.
 - (c) If the applicant requests a hearing within such ten days, the commissioner shall give notice of the grounds for the commissioner's refusal and shall conduct a hearing concerning such refusal in accordance with the provisions of chapter 54 concerning contested cases.

Sec. 6. Section 20-598a of the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2018*):

- (a) No person shall act as a pharmacy technician unless registered with, or certified with, the department.
- (b) The department shall, upon authorization of the commission, register as a pharmacy technician any person who presents evidence satisfactory to the department that such person is qualified to perform, under the direct supervision of a pharmacist, routine functions in the dispensing of drugs that do not require the use of professional judgment. The qualifications for registration as a pharmacy technician under this section shall be in accordance with (1) the standards of an institutional pharmacy, a care-giving institution or a correctional or juvenile training institution, in the case of employment in any such pharmacy or institution, or (2) the standards established by regulation adopted by the commissioner in accordance with chapter 54, in the case of employment in a pharmacy. As used in this subsection, "direct supervision" means a supervising pharmacist (A) is physically present in the area or location where the pharmacy technician is performing routine drug dispensing functions, and (B) conducts in-process and final checks on the pharmacy technician's performance.
- (c) The department shall, upon authorization of the commission, certify as a pharmacy technician any person who meets the requirements for registration as a pharmacy technician, pursuant to subsection (b) of this section, and who holds a certification from the Pharmacy Technician Certification Board or any other equivalent pharmacy technician certification program approved by the department.
- (d) [The] (1) Except as provided in subdivision (2) of this subsection, the fee required by section 20-601 shall accompany an application for registration under this section. A registration as a pharmacy technician shall be valid for one year and may be renewed upon application and payment of the fee required by section 20-601.

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(2) The department shall waive the fee required under section 20-601 for any applicant for initial registration as a pharmacy technician under this section on or after July 1, 2018, who is a low-income individual, military family member or young worker, provided such applicant provides to the department any documentation or information the department may require for such waiver. As used in this subdivision, (A) "low-income individual" means an individual enrolled in a state or public assistance program or whose household gross income is less than one hundred thirty per cent of federal poverty guidelines, (B) "military family member" means (i) a veteran, as defined in subsection (a) of section 27-103, (ii) a member of the armed forces, as defined in said subsection, (iii) a spouse of such veteran or member, or (iv) the surviving spouse of a deceased veteran or member, who has not remarried, and (C) "young worker" means an individual who is eighteen years of age or older but under twenty-five vears of age.

Sec. 7. (Effective from passage) The Commissioner of Economic and Community Development, in consultation with the Commissioners of Public Health, Consumer Protection and any other applicable state agency, shall conduct a comprehensive study of the occupational licensing fees charged by surrounding states and compare such fees to those imposed by the state for comparable licenses. Not later than January 1, 2019, the commissioner shall submit a report, in accordance with the provisions of section 11-4a of the general statutes, to the joint standing committees of the General Assembly having cognizance of matters relating to commerce and finance, revenue and bonding of the commissioner's findings. Such report shall include recommendations for specific occupational licensing fee changes that the commissioner deems would enhance the economic competitiveness of the state.

This act shall take effect as follows and shall amend the following sections:				
Section 1	July 1, 2018	20-236		
Sec. 2	July 1, 2018	20-253		
Sec. 3	July 1, 2018	20-254		

Sec. 4	July 1, 2018	20-377m
Sec. 5	July 1, 2018	20-3770
Sec. 6	July 1, 2018	20-598a
Sec. 7	from passage	New section

FIN Joint Favorable Subst.

The following Fiscal Impact Statement and Bill Analysis are prepared for the benefit of the members of the General Assembly, solely for purposes of information, summarization and explanation and do not represent the intent of the General Assembly or either chamber thereof for any purpose. In general, fiscal impacts are based upon a variety of informational sources, including the analyst's professional knowledge. Whenever applicable, agency data is consulted as part of the analysis, however final products do not necessarily reflect an assessment from any specific department.

OFA Fiscal Note

State Impact:

Agency Affected	Fund-Effect	FY 19 \$	FY 20 \$
Resources of the General Fund	GF - Potential	less than	less than
	Revenue Loss	285,000	285,000
Consumer Protection, Dept.	GF - Cost	58,640	58,640
Public Health, Dept.	GF - Cost	58,640	58,640
State Comptroller - Fringe Benefits ¹	GF - Cost	42,608	42,608

Note: GF=General Fund

Municipal Impact: None

Explanation

This bill, which requires that the Department of Consumer Protection (DCP) waive interior designer² and pharmacy technician³ initial certificate registration fees, and the Department of Public Health (DPH) waive barber⁴ and hairdresser/cosmetician⁵ initial licensure fees, for certain individuals, results in a potential General Fund revenue loss of less than to \$285,000 annually, and a state cost of approximately \$160,000 annually.

As the bill may affect less than 1,650 initial certificate registrations issued by DCP, and less than 1,200 initial licenses issued by DPH, a General Fund revenue loss of less than \$285,000 per year is possible. In

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¹The fringe benefit costs for most state employees are budgeted centrally in accounts administered by the Comptroller. The estimated active employee fringe benefit cost associated with most personnel changes is 36.33% of payroll in FY 19 and FY 20.

²There is a \$190 DCP initial certificate registration fee for interior designers.

³There is a \$100 DCP initial certificate registration fee for pharmacy technicians.

⁴There is a \$100 DPH initial licensure fee for barbers.

⁵There is a \$100 DPH initial licensure fee for hairdresser/cosmeticians.

order to process and verify eligible: (1) low-income individuals, (2) veterans, armed forces members, and their spouses, and (3) young workers ages 18 through 24, it is anticipated that both DCP and DPH will need to hire additional staff. DCP will require a License and Application Analyst and DPH will require a Processing Technician. Both positions cost approximately \$58,640 for wages and \$21,304 for associated fringe benefits, under the State Comptroller, annually.

The Out Years

The annualized ongoing fiscal impact identified above would continue into the future subject to the number of registration/licensure waivers issued by DCP and DPH.

OLR Bill Analysis sHB 5586

AN ACT WAIVING CERTAIN INITIAL OCCUPATIONAL LICENSING FEES FOR CERTAIN INDIVIDUALS AND REQUIRING A STUDY OF OCCUPATIONAL LICENSING FEES CHARGED BY SURROUNDING STATES.

SUMMARY

This bill exempts eligible (1) low-income individuals; (2) veterans, armed forces members, and their spouses; and (3) young workers (ages 18 through 24) from initial occupational licensing fees for credentials as barbers, hairdressers, interior designers, and pharmacy technicians.

The bill also requires the Department of Economic and Community Development (DECD) commissioner to (1) conduct a study comparing the occupational licensing fees charged by Connecticut and surrounding states for comparable licenses and (2) by January 1, 2019, report his findings to the Commerce and Finance, Revenue and Bonding committees. In conducting the study, the DECD commissioner must consult with the public health and consumer protection commissioners, and any other applicable state agency, and include recommendations for specific fee changes that would enhance the state's economic competitiveness.

EFFECTIVE DATE: July 1, 2018, except the study provision is effective upon passage.

LICENSE AND REGISTRATION FEE WAIVERS

The bill requires the Department of Public Health (DPH) and Department of Consumer Protection (DCP), as applicable, to waive the fees required for the initial licenses or registrations listed in Table 1 and issued for certain qualifying applicants on or after July 1, 2018. It requires the applicants to provide the respective department with any

documentation or information the department requires for the waiver.

Under the bill, an individual qualifies for a waiver if he or she is:

1. enrolled in a state or public assistance program or has a household gross income of less than 130% of federal poverty guidelines (for 2018, 130% of the federal poverty level is \$15,782 for an individual and \$21,398 for a family of two);

- 2. a veteran or armed forces member or his or her spouse or surviving spouse who has not remarried; or
- 3. between 18 and 24 years old.

Under the bill, a veteran is anyone honorably discharged or released from active service in the U.S. Armed Forces (Army, Navy, Marine Corps, Coast Guard, and Air Force and any reserve component of these branches, including the Connecticut National Guard performing duty under Title 32 of federal law (e.g., certain Homeland Security missions)).

Table 1: License and Registration Fee Waivers

Credential	Current Fee for Initial License	Agency
Barber License	\$100	DPH
Hairdresser and Cosmetician License	\$100	DPH
Interior Designer Registration	\$190	DCP
Pharmacy Technician Registration	\$100	DCP

COMMITTEE ACTION

Finance, Revenue and Bonding Committee

Joint Favorable Substitute Yea 51 Nay 0 (04/05/2018)